

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT**

**NASHVILLE, TENNESSEE**

**March 6, 2001**

**IN RE:**

**APPLICATION OF AMERICATEL CORPORATION d/b/a  
1010 123 AMERICATEL FOR APPROVAL OF TRANSFER  
OF AUTHORITY**

)  
)  
)  
)  
)

**DOCKET NO.  
01-00080**

---

**ORDER APPROVING TRANSFER OF AUTHORITY**

---

This matter came before the Tennessee Regulatory Authority (the "Authority") at the regularly scheduled Authority Conference held on February 6, 2001 for consideration of the Application (the "Application") of Americatel Corporation d/b/a 1010 123 Americatel ("Americatel") pursuant to the provisions of Tenn. Code Ann. § 65-4-113, for approval of a transfer of authority to provide utility services.

**Requirement of and Standards for Authority Approval**

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain Authority approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113(a) provides as follows:

(a) No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) provides the standards by which the Authority shall consider an application for transfer of authority, in pertinent part, as follows:

(b) Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

### **The Application**

Americatel's Application, filed in a letter dated January 17, 2001, was received on January 24, 2001.<sup>1</sup> By Order dated February 2, 1999, the Authority granted Americatel a certificate of convenience and necessity to provide utility services as a reseller of telecommunications services and provider of operator services in Tennessee pursuant to Authority Rule 1220-4-2-.57.

The Application states that eighty percent of Americatel is owned by Entel International, B.V.I., which is a wholly-owned subsidiary of Entel Chile S.A. The current ownership of Entel Chile, S.A. is as follows:

Stet International Netherlands N.V	26.16%
Chilquinta S.A.	15.01%
Chilquinta Telecomunicaciones	10.62%
Inv. Hidrosur LTDA	13.68%
Minority Shareholders (less than 5% each)	34.53%

Stet International Netherlands N.V. plans to acquire the shares of Entel Chile, S.A. currently owned by Chilquinta S.A., Chilquinta Telecomunicaciones S.A., and some of the minority shareholders. After these transactions are complete, the ownership of Entel Chile, S.A. will be as follows:

Stet International Netherlands N.V.	54.76%
Inv. Hidrosur LTDA	13.68%
Pension Funds	18.90%
Minority Shareholders (less than 5% each)	12.66%

---

<sup>1</sup> The January 17, 2001 letter is a notification to the Authority of a change in the ownership of Americatel. Because, as explained below, this change in ownership involves a transfer of the authority to provide utility services held by Americatel, approval by the Authority is required, and the Authority treated Americatel's letter of notification as its Application for such approval.

According to the Application, Stet International Netherlands N.V. is the subsidiary of Telecom Italia responsible for acquiring and administering equity interest in international telecommunications companies. Following the transactions described in the Application, Stet International N.V. (and, through it, Telecom Italia), will be the new majority shareholders in Americatel.

According to the Application, the transaction will be transparent to Americatel's customers. The Application states that the transaction will not affect the Authority's regulation of Americatel and after the transaction Americatel will continue to provide service in its own name pursuant to its certificate and tariff on file with the Authority.


### **Findings**

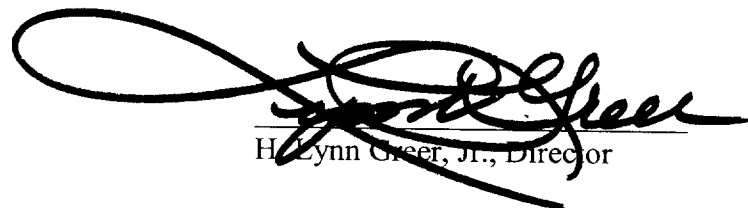
The Directors of the Authority considered this matter at the February 6, 2001 Authority Conference. Based upon careful consideration of the Application, the Authority finds and concludes as follows:

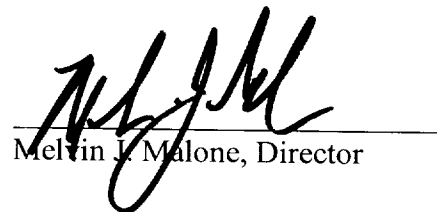
1. The Authority has jurisdiction over the subject matter of this Application pursuant to Tenn. Code Ann. § 65-4-113;
2. Americatel Corporation d/b/a 1010 123 Americatel has been granted authority to provide telecommunication services in Tennessee;
3. Majority ownership of the parent corporation of Americatel will be transferred to Stet International Netherlands N.V., resulting in a transfer of the authority granted Americatel to provide utility services;
4. Approval of the transfer of authority is appropriate pursuant to the provisions of Tenn. Code Ann. § 65-4-113.

**IT IS THEREFORE ORDERED THAT:**


1. The Application of Americatel Corporation d/b/a 1010 123 Americatel for approval of the transfer of authority described herein is approved; and
2. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from and after the date of this Order.

  
Sara Kyle, Chairman

  
H. Lynn Greer, Jr., Director

  
Melvin J. Malone, Director

ATTEST:

  
K. David Waddell, Executive Secretary